## **CHAPTER 219**

S.B. No. 1962

## AN ACT

relating to the coordinated clinical education of medical and dental students, interns, residents, and fellows.

Be it enacted by the Legislature of the State of Texus:

SECTION 1. Title 71, Revised Statutes, is amended by adding Article 4494t to read as follows:

## ARTICLE 4494t. COORDINATED MEDICAL

## AND DENTAL CLINICAL EDUCATION

Sec. 1. PURPOSE. The legislature hereby finds and determines that both the clinical education of medical and dental students, interns, residents, and fellows attending a medical and dental unit as defined herein or a supported medical or dental school as defined herein and the provision of patient care to public hospitals within the state can be more effectively and economically undertaken if such institutions and hospitals coordinate and cooperate, rather than compete, in their common endeavors. The purpose of this Act is to authorize and to remove impediments to such coordination and cooperation in order to enhance the education of such students, interns, residents, and fellows and patient care and to avoid any waste of public money in connection therewith.

Sec. 2. DEFINITIONS. In this article:

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- (1) "Coordinating entity" means any nonprofit corporation under the provisions of the Texas Non-Profit Corporation Act (Article 1396-1.01 et seq., Vernon's Texas Civil Statutes), which is a health organization approved and certified by the Texas State Board of Medical Examiners under Section 5.01 of the Medical Practice Act (Article 4495b, Vernon's Texas Civil Statutes).
- (2) "Public hospital" means any hospital, clinic, or other facility for the provision of health care or dental care which is owned or operated by the federal government of the United States, the state, or any political subdivision or municipal corporation thereof, including a hospital district or authority.
- (3) "Medical and dental unit" has the meaning assigned to it in Subdivision (5) of Section 61.003 of the Education Code.
- (4) "Supported medical or dental school" means a medical school or dental school, organized as a nonprofit corporation, which is under contract with the Coordinating Board, Texas College and University System, to provide educational services pursuant to Subchapter D of Chapter 61 of the Education Code.
- (5) "Commissioner of Health" means the Commissioner of Health as described in Article 4414b, Revised Statutes.
- (6) "Board of Health" means the Board of Health as described in Article 4414b, Revised Statutes.
- Sec. 3. APPLICATION OF PROVISIONS. The provisions of this article shall apply only when a medical and dental unit and a supported medical or dental school agree or have agreed to provide medical, dental, or other patient care or services, to perform medical, dental, or clinical education, training, or research activities, or to cause such care, services, or activities to be provided or performed in a coordinated or cooperative manner in one or more public hospitals, either directly or through a coordinating entity.
- Sec. 4. AUTHORIZATION OF COOPERATIVE CLINICAL PROGRAMS. The legislature hereby authorizes the making and performance of contracts between and among medical and dental units, supported medical or dental schools, coordinating entities, and public hospitals for or to effect coordinated or cooperative clinical education of the students, interns, residents, and fellows enrolled at such units and schools. Any such coordination or cooperation may be undertaken by the medical and dental units and the supported medical or dental schools directly or through a coordinating entity. Any coordinating entity and any such units or schools may contract with the owner or operator of any public hospital for or to effect the clinical education of students, interns, residents, and fellows enrolled at such units and schools. Each contract authorized by this section may be on such terms and for such consideration as the contracting parties may determine and may provide for the coordinated, cooperative, or exclusive assignment of the interns, residents, fellows, faculty, and associated health care professionals of the participating medical and dental units and supported medical or dental schools to provide or perform health or dental services or research at a public hospital. Coordinated or cooperative activities authorized by and pursuant to this section may be performed by or on behalf of any one or more or all of the units, schools, or entities involved.
- Sec. 5. STATE SUPERVISION. No contract authorized by Section 4 of this article shall be effective until it either:
  - (1) is approved by the Commissioner of Health on behalf of the Board of Health; or
- (2) is not disapproved by the Commissioner of Health on behalf of the Board of Health within 30 days after the contract is filed with the Board of Health by any medical and dental unit or coordinating entity or supported medical or dental school which is a party to the contract.
- Sec. 6. LIABILITY. No coordinating entity, medical and dental unit, or supported medical or dental school engaged in coordinated or cooperative medical or dental clinical education, including patient care and the provision or performance of health or dental services or research at a public hospital, pursuant to Section 4 of this article, shall be liable to any person for its acts and omissions in connection therewith

except to the extent and up to but not in excess of the maximum amount of the liability of the state government as specified in Subsection (a) of Section 101.023 of the Texas Tort Claims Act (Chapter 101, Civil Practice and Remedies Code), for the acts and omissions of a governmental unit of the state government as provided in the Texas Tort Claims Act (Chapter 191, Civil Practice and Remedies Code), whether or not such a unit, school, or entity is a "governmental unit" as therein defined. A judgment in an action or a settlement of a claim against any such unit, school, or entity thus permitted under the provisions of the Texas Tort Claims Act shall ban any action involving the same subject matter by the claimant against any director, trustee, officer, intern, resident, fellow, faculty member, or other associated health care professional or employee of such unit, school, or entity whose act or omission gave rise to the claim, as if the person were an employee of a governmental unit against which such claim was asserted as provided in Section 101.106 of the Texas Tort Claims Act. All directors, trustees, officers, interns, residents, fellows, faculty, and other associated health care professionals and employees of the medical and dental unit, the supported medical or dental school, or the coordinating entity so engaged shall be deemed to be employees of a state agency, and said unit, school, or entity shall be deemed to be a "state agency" for purposes of Chapter 104, Civil Practice and Remedies Code, and for purposes of determining the liability, if any, of such persons for their acts and omissions while engaged in such coordinated or cooperative activities of the units, schools, or entities.

Sec. 7. APPROVAL OF CONTRACTS. The Commissioner of Health shall review contracts submitted to the Board of Health pursuant to Section 5 of this article and, acting on behalf of the Board of Health, shall approve but not modify such contracts if he finds them to be in furtherance of the purposes of this article and may disapprove but not modify any such contract after a hearing on notice to all parties thereto if he finds such contract not to be in furtherance of such purposes.

SECTION 2. The provisions of this Act are severable. If any word, phrase, clause, paragraph, sentence, section, part, or provision of this Act or the application thereof to any person or circumstance shall be held to be invalid or unconstitutional, the remainder of this Act shall nevertheless be valid, and the legislature hereby declares that this Act would have been enacted without such invalid or unconstitutional word, phrase, clause, paragraph, sentence, section, part, or provision.

SECTION 3. EMERGENCY. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended, and that this Act take effect and be in force from and after its passage, and it is so enacted.

Passed the Senate on April 15, 1987, by the following vote: Yeas 31, Nays 0. Passed the House on May 15, 1987, by the following vote: Yeas 144, Nays 0, one present not voting.

Approved May 28, 1987.

Effective May 28, 1987.